

TOWN OF HOPKINTON Select Board & Budget Committee 2016 PROPOSED BUDGET

Presentation to Public Hearing
February 3, 2016



Budget Process to Date

- Department Heads prepared budget requests based on what they need to run their department
- Department Heads held a “Budget Summit” to present and review all requests and overall impact
- Department Heads presented their capital requests to the CIP Committee
- Select Board met with each Department Head to review requests



Budget Process to Date

- CIP Committee presented its recommendations to the Select Board
- Select Board discussed requests
 - Set priorities
 - Reduced and postponed where they felt it was possible
- Reviewed and accepted by Budget Committee



Where we began...

Initial Requests

- Operating Budget up \$510,635 – 8.34%
- Revenue up \$75,186 – 2.65%
- Warrant Articles for CRFs up \$50,000 – 11.16%
- Indiv. Warrant Articles up \$799,000 – 355.11%
- To be raised by taxes up \$1,284,449 – 30.42%
 - Town portion of the tax rate up \$2.48



Select Board priorities

- To keep the tax rate as low as possible while providing quality service
- To continue to move forward addressing deferred road maintenance



Select Board Changes

From original requests

- Bottom line - To be raised by taxes increase at \$113,221, down from the \$1,284,449 originally requested
- Bottom line – a 2.68% increase which is a \$ 0.19 tax rate increase - \$57.00 for a \$300,000 property



Select Board Proposal

Operating Budget

- Total Operating Budget of \$6,416,591

- Increase of \$278,380 – 4.54%

- Major Drivers

• Fire Station Bond	\$ 195,188
• Health Insurance	\$ 68,281
• Merit Wage Pool	\$ 58,098
• B&G Additional FT Emp.	\$ 25,048
• Highway – Sand	\$ 18,000
• Highway – Gravel	\$ 13,000
• Highway-Paving/Shim	\$ 11,000
• NH Retirement	\$ <u>10,505</u>
• TOTAL	\$ 399,120



Select Board Proposal

Existing Capital Reserve/Maintenance Trust Funds

- Total CRF/Maintenance Trusts \$361,500
 - Decrease of \$ 86,500 – (19.31%)
- Major Drivers
 - Fire Vehicle Replacement (\$ 50,000)
 - Town Hall Renovations (\$ 15,000)
 - Hwy Vehicle Replacement (\$ 10,000)
 - Revaluation of Property (\$ 9,000)
 - TOTAL (\$ 84,000)



Select Board Proposal

Individual Warrant Article

- Total Individual Warrant Articles \$ 250,000
 - Increase of \$ 25,000 – 11.11%
- Creation of a Capital Reserve Fund for Road, Bridge, and Culvert Rehabilitation- \$ 250,000



Road Bond Article

- \$2,200,000 road bond for road, bridge, culvert rehabilitation (Tax impact begins in 2017)
- Will pay for rehabilitation projects



Bond and New CRF will pay for:

- Engineering

• Briar Hill Culvert #1	\$ 30,000
• Briar Hill Culvert #2	30,000
• Briar Hill Culvert #3	30,000
• Rollins Road Culvert	30,000
• Bound Tree Road Culvert	30,000
• Kearsarge Avenue Culvert	30,000
• Stickney Hill Road Bridge	37,000
• Briar Hill Culvert #4/Bridge	<u>37,000</u>
• TOTAL	\$ 254,000



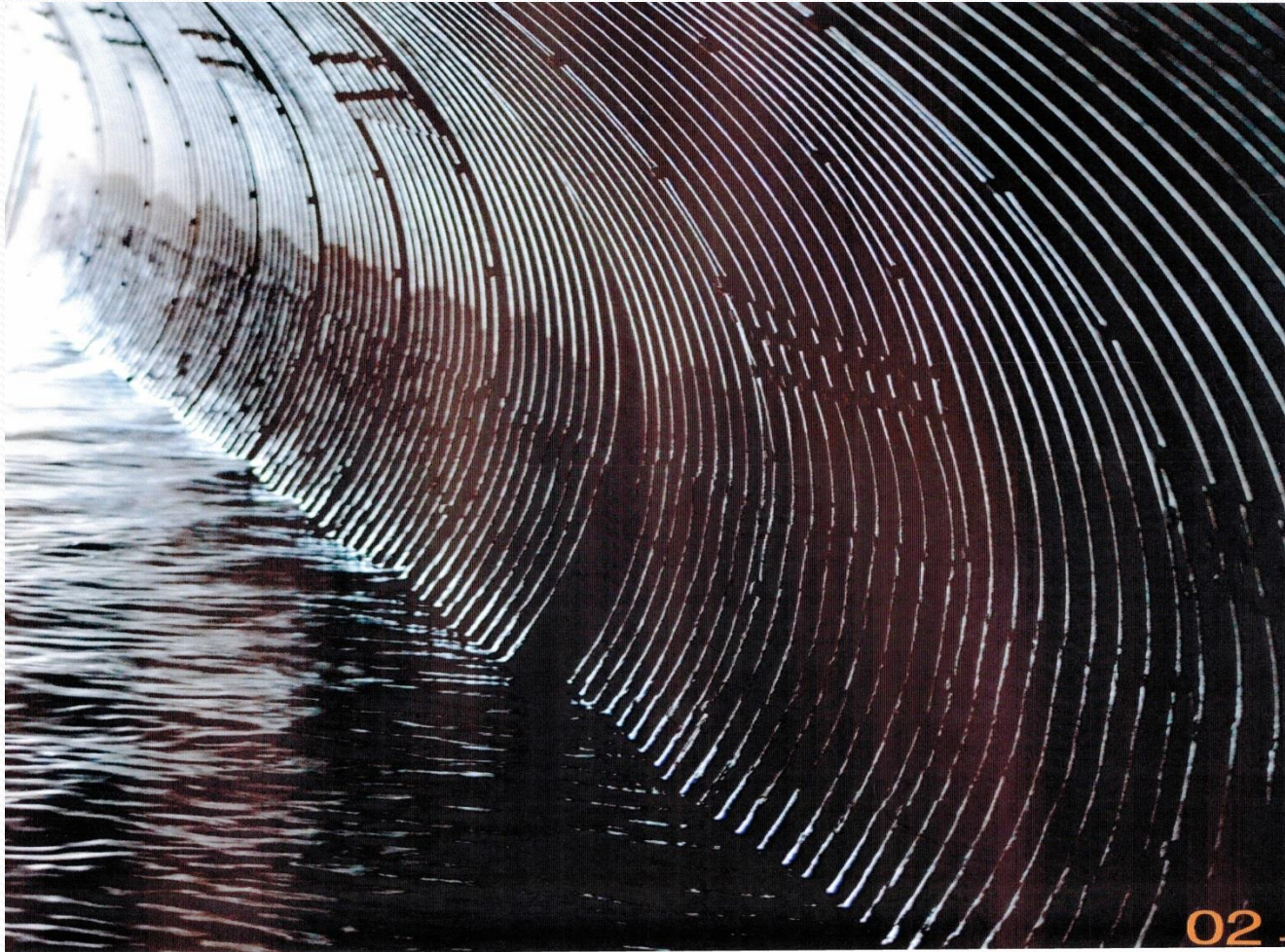
Bond and New CRF will pay for:

- Rehabilitation/Construction

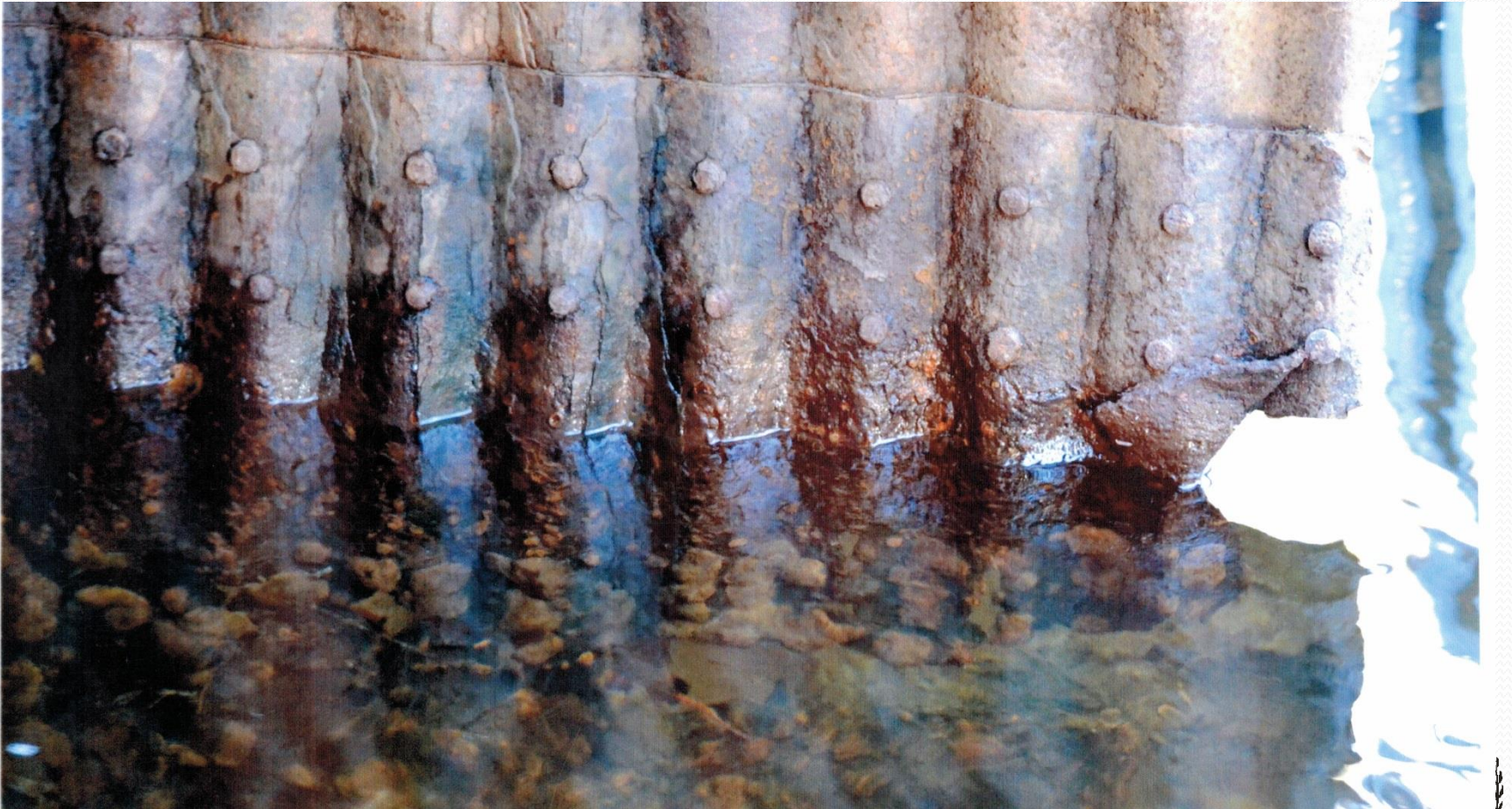
● Penacook Road	\$ 600,000
● Briar Hill Road	442,000
● Cedar Street	66,500
● South Road	70,000
● Rollins Road	63,000
● Pine Street	61,500
● 6 Culverts	397,000
● Briar Hill Culvert/Bridge	<u>500,000</u>
● Total	\$2,200,000



Briar Hill Culvert #4



Briar Hill Culvert #4



Stickney Hill



02



Rollins Road Culvert



02



Road Bond Article

- Safety
- Work will be done sooner than it would otherwise
- There is an anticipated economy of scale
 - Engineering
 - State Permit Fees
 - Asphalt costs
- Avoids future years of inflation
- Both oil costs and bonds cost are very low



Road Bond Article

- Bond Costs
 - 10 year bond at 2.549% interest
 - Total interest costs: \$313,381
 - Year 1 (2017) payment
 - $\$280,930.83 = 0.46 \text{ on tax rate} - \$300,000 \text{ property} = \138.00
 - Year 10 (2026) payment
 - $\$225,610.00 = .37 \text{ on tax rate} - \$300,000 \text{ property} = \111.00



Select Board Proposal

Other Items with Impact

- Total Other Items with Impact \$ (65,000)
- All Overlay Reduction



Select Board Proposal

SUMMARY

	<u>2015</u>	<u>2016</u>	<u>\$Change</u>	<u>Change</u>
Operating Budget	\$ 6,138,211	\$ 6,416,591	\$ 278,380	4.54%
CRF/Maint. Trust	448,000	361,500	(86,500)	(19.31%)
Individual Warrant Art.	225,000	250,000	25,000	11.11%
Other Impacts	<u>330,000</u>	<u>265,000</u>	<u>(65,000)</u>	<u>(19.70%)</u>
TOTAL	\$ 7,141,211	\$ 7,293,091	\$ 151,880	2.13%
Revenue	<u>2,992,447</u>	<u>2,961,106</u>	<u>(38,659)</u>	<u>(1.32%)</u>
To Be Raised by Taxes	4,218,764	4,331,985	113,221	2.68%
Tax Rate	6.92	7.10	0.18	2.68%



Motor Vehicle Fee on Ballot

Article 3: Motor Vehicle Fee and Municipal and Transportation Improvement Fund

Are you in favor of the establishment of an additional \$ 5.00 motor vehicle registration fee collected from all vehicles, both passenger and commercial, with the exception of all-terrain vehicles, antique motor vehicles and motor cycles, for the purpose of supporting a Municipal and Transportation Improvement Fund, and to establish a Municipal and Transportation Improvement Fund, Capital Reserve Fund, under the provisions of RSA 261:153 VI for the purpose of funding wholly or in part, improvements to roads, culverts, and bridges. Further, to name the Select Board as agents to expend from said fund.

Yes

No



QUESTIONS

